



Montgomery County Council

From the Office of Councilmember Tom Perez

For Immediate Release

November 3, 2003

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**Statement by Councilmember Tom Perez at News Conference
On Promoting County Purchase of Canadian Prescription Drugs**

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"We are here today to talk about two crises that confront residents of Montgomery County. We have a fiscal crisis that is frankly going to continue to get worse before it gets better. At the same time, we have a health care crisis that threatens individuals in our county and across America. If you ask any employer to describe the darkest clouds looming in their fiscal horizons, they will invariably talk about the rising cost of health care in general and prescription drugs in particular. The rising costs of health care have far outstripped the rate of inflation. This perfect storm is putting all too Americans at risk of losing access to critical health benefits that are the building blocks of self-sufficiency.

"Montgomery County is no different. As we struggle with our fiscal crisis, we must examine ways that we can contain health care costs. A number of working groups have been looking at ways to control health care costs. I commend our Council President Mike Subin, our MFP Committee Chair, Marilyn Praisner, and the union leadership that has been participating in these discussions.

"I have been monitoring the prescription drug debate in Congress very carefully. I believe that the Medicare prescription drug bill is fatally flawed. I have spoken with many senior citizens and other residents of Montgomery county who have exorbitant prescription drug expenses. I am growing sick and tired of the Bush administration's inattention to this critical issue. While prescription drugs are not ordinarily a local issue, I believe it is time to take matters into our own hands as much as possible.

"This is why I am proud to stand here today with our unions and other county residents to announce the introduction of a resolution that, if adopted, will set the stage for the implementation of an innovative program that will permit current and retired county employees to import prescription drugs from Canada. If the program is put into place, Montgomery County will become the third municipality in the country to adopt this program. Illinois, Minnesota and Iowa are also looking into similar programs for state employees.

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"The resolution calls for the four county agencies to study the feasibility of putting this program into place, and to provide a joint report to the Management and Fiscal Policy Committee by January 1, 2004. The MFP Committee will then take the lead in moving forward, with a target implementation date of July 1, 2004.

"The potential cost savings are enormous. Illinois estimates that it can save over \$90 million dollars per year by importing prescription drugs from Canada. Springfield, Massachusetts, which is much smaller than Montgomery County, estimates that it can save \$4-9 million per year. Montgomery County spends approximately \$60 million dollars per year on prescription drugs for its 38,000 current and retired employees. The potential cost savings, while impossible to document at this moment- which is why the resolution calls for a study- are substantial. Saving millions or potentially tens of millions of dollars in the middle of a fiscal crisis is real money.

"The program, if enacted, will be entirely voluntary, and will be available to current and retired county employees. Not only will the taxpayers save money, but the employees themselves will save money through reduced or eliminated co-payments.

"Reducing the cost of prescription drugs through drug importation programs enjoys bipartisan support in Congress. The House of Representatives overwhelmingly passed a bill allowing for importation of prescription drugs, and the Senate is considering a bipartisan bill. The FDA opposes drug importation, citing alleged "safety" concerns. I have studied this issue closely, consulted with experts, and I firmly believe that these safety concerns are bogus. During the anthrax scare following the September 11th tragedy, where did the United States turn for supplies of Cipro: We turned to Canada. I take Lipitor every day to reduce cholesterol. It is imported from Ireland.

"Drug company executives refer to the American market as their "premium pricing market." The drug companies ought to open up a laundry mat, because they are taking the American consumer to the cleaners. The safety issue is a red herring, and I am convinced that we can put a program into place that will save taxpayers millions of dollars, is user friendly, and safe. The drug importation debate is one drug war we ought to be able to win.

"The Montgomery County has been a national leader on so many issues- affordable housing, land use, and education. It is appropriate for us to step to the plate on this critical health care issue. This drug importation program is not a panacea, but providing access to lower cost prescription drugs to current and retired county employees is sound fiscal policy and sound public policy."

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